

Massachusetts Teachers' Retirement Board
Meeting of August 25, 2017
9:00 a.m. to 12:00 p.m.
being held at:

Massachusetts Teachers' Retirement System
500 Rutherford Avenue, Suite 210, Charlestown, MA

Agenda for August Board meeting

Regular Matters of Business	Tab 1
Open and Executive Minutes of the Regular Meeting held on July 28, 2017	
Applications for Ordinary and Accidental Disability Retirement*	<i>Disability Folder</i>
Termination Retirement*	Tab 2
Clarifying Amendments to 807 CMR 23.00, <i>Effective Date of Service Purchase Interest Rate</i>	Tab 3
Review of Needham Bill Policy	Tab 4
Request for Approval of Out of State Travel for Executive Director.....	Tab 5
NCTR Annual Conference, Tucson, AZ - <i>October 7th - October 11th</i>	
NPEA Annual Conference, Nashville, TN - <i>October 13th - October 18th</i>	
PRIT Update	
Dennis Naughton	
Executive Director's Report	
Mass.gov Redesign Issues	

****To be considered in Executive Session***

Next meeting scheduled for
September 29, 2017
9:00 a.m. – 2:00 p.m.
Board Annual System Review and Constituents Forum

Minutes of the Meeting of August 25, 2017

of the

MASSACHUSETTS TEACHERS' RETIREMENT BOARD

I. Regular Matters of Business

In attendance at this regular meeting of the Massachusetts Teachers' Retirement Board ("the Board") were Chairman Jeff Wulfson, Vice Chair Nicola Favorito, Jacqueline A. Gorrie, Richard L. Liston, Dennis J. Naughton, Joannah M. Quinn, Anne Wass, Executive Director Erika Glaster, Assistant Executive Director Jon Osimo, General Counsel James Salvie, Associate General Counsel/Disability Case Manager Salvatore Coco and Executive Assistant Helen Petruzzello.

The meeting was called to order at 9:00 a.m.

The minutes of the previous Board meeting, held on July 28, 2017, were reviewed and approved as submitted on a motion made by Mr. Liston and seconded by Mr. Naughton. The motion carried 6-0-1 with Ms. Wass abstaining due to her absence from the July meeting.

VOTED: The Open and Executive minutes of the Board meeting held on July 28, 2017, are hereby approved as submitted.

II. Executive Session

A motion was made by Ms. Wass, and seconded by Mr. Liston, to enter into executive session in order to review applications for disability and termination retirement. On roll call, the vote was as follows:

VOTED: Vice Chair Nicola Favorito	Yes
Jacqueline A. Gorrie	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Joannah M. Quinn	Yes
Anne Wass	Yes
Chairman Jeff Wulfson	Yes

At approximately 9:04 a.m. the Board went into Executive Session. The Chairman stated that the Board would return to Open Session.

At approximately 11:36 a.m. the Board reconvened in Open Session.

III. Open Session

A. CLARIFYING AMENDMENTS TO 807 CMR 23.00, EFFECTIVE DATE OF SERVICE PURCHASE INTEREST RATE

Mr. Salvie presented the proposed amendments to 807 CMR 23.00, Effective Date of Service Purchase Interest Rate that clarified language in the regulation regarding the expiration date of invoices, and the applicable interest rates on invoices. On a motion made by Mr. Liston, and seconded by Ms. Gorrie, the Board voted unanimously to put the proposed amendments to Regulation 807 CMR 23.00 out for public comment and to hold a public hearing in accordance with the Administrative Procedures Acts of G.L. c. 30A, § 2. The Board requested Board staff to provide a sample of an invoice and the accompanying documents that a member receives.

B. REVIEW OF NEEDHAM BILL POLICY

Mr. Salvie provided an outline of the Board's history with so-called Needham bill waiver requests, in response to the Board's questions concerning recent requests from several members for waivers of small overpayment amounts. The Board held a discussion on whether to require members to provide financial information as part of the waiver request and whether to establish a threshold overpayment amount below which Board staff would be authorized to consider waiver requests. It was noted that the Board's Needham Bill Policy already grants that authority to staff in the case of incorrect assessments. The Board asked for a summary report on past forgiveness to members, by both the staff and the Board, and asked that this item be included on an upcoming agenda.

C. REQUEST FOR APPROVAL OF OUT OF STATE TRAVEL FOR EXECUTIVE DIRECTOR

Pursuant to the provisions of the MTRS Official Travel Policy, Ms. Glaster requested the Board's approval to attend the National Council on Teacher Retirement ("NCTR") Annual Conference in Tucson, AZ from October 7th to October 11th. Additionally, Ms. Glaster asked for the Board's approval to attend the annual conference of the National Pension Education Association in Nashville, TN from October 14th to October 18th. Ms. Glaster explained that as she is serving in her first year of a two-year term as immediate Past President on the NPEA Board of Directors, she is required to arrive the day before the conference begins and the additional night's stay and meal expense would be paid by the NPEA. On a motion made by Mr. Naughton, and seconded by Ms. Wass, the Board voted 7-0 to approve the out of state travel of the Executive Director.

D. PRIT UPDATE

Mr. Naughton provided an update of recent activity at the PRIM Board including recent administration and operational issues under consideration, including the proposal by the Governor to transfer the management of the MBTA pension funds to PRIM and the potential impact of that action.

E. EXECUTIVE DIRECTOR'S REPORT

1. Ms. Glaster informed the Board that the draft closing agreement request from ANF's counsel on the exclusive benefit rule issues was being reviewed in conjunction with the State Retirement System and Ice Miller. She explained that once the draft is finalized, the plan is for ANF's counsel to submit it to the IRS for their approval.
2. Ms. Glaster reported that she had received confirmation that Michael Trotsky of PRIM, and Joe Connarton and Jim Lamenzo of PERAC will make their presentations at the September Constituents Forum. She also forwarded an invitation to Michael Heffernan, Secretary of the Executive Office for Administration and Finance ("ANF"), or a designated representative of his choosing, to the September meeting, and at the same time, extended an open invitation to any future board meeting.

3. Susan Theil, Director of Communications, joined the meeting and provided the Board with an overview of the changes being made in the upcoming months to the Mass.Gov website that currently hosts the MTRS website. Ms. Theil explained that these changes are designed to give the site a new comprehensive look, erasing lines between the different state agencies and that as of September 30th, the MTRS current website would be frozen. Ms. Theil shared her concerns regarding the limitations and restriction of the new site and their impact on our ability to service the active and retired members of the MTRS. Ms. Theil shared the alternative plan to procure a private vendor for developing and hosting our web site, including the estimated cost, which would be covered in the current operating budget. The Board members expressed their concerns with the new format, and agreed with moving forward on the proposed plan.
4. Ms. Glaster updated the board on the results of the latest follow up meeting with representatives from the Massachusetts Teachers Association (“MTA”), as well as the representatives from the American Federation of Teachers-Massachusetts Chapter (“AFT-MA”), to make plans for the review and resolution of over 400 appeals resulting from the recent R+ election mailings. Ms. Glaster informed the Board that the MTRS and unions will share their respective lists of members who have filed an appeal, and prepare a plan for outreach. Ms. Glaster distributed a draft chart summarizing proposed legislative changes aimed at ending the confusion surrounding the current R+ election for transfer-in members and providing a one-time corrective election for members who did not respond to previous election materials. Ms. Glaster indicated that the next meeting of the representatives will take place on September 12th in order to review the draft the legislation and filing plans.

On a motion made by Mr. Naughton and seconded by Ms. Wass, the Board voted unanimously to adjourn the meeting at approximately 1:15 p.m.

Respectfully submitted,

Erika M. Glaster,
Executive Director

Date

Documents used in MTRS Board meeting of August 25, 2017

- Agenda for August 25, 2017 MTRS Board meeting
- Cover letter from Executive Director
- Open minutes and executive minutes of July 28, 2017 MTRS Board meeting
- Memorandum and supporting documents pertaining to Termination Retirement
- Memorandum and supporting documents pertaining to Clarifying Amendments to 807 CMR 23.00, Effective Date of Service Purchase Interest Rate
- Memorandum and supporting documents pertaining to Review of Needham Bill policy
- Memorandum and supporting documents pertaining to Request for Approval of Out of State Travel for Executive Director